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WHERE IS THE MONEY?

VIOLATIONS OF LAW

BY

THE STATE BOARD OF HEALTH

IN EXPENDING MONEY.

EXTRAVAGANT EXPENDITURES!

POSTAGE, $719.01. *HOTEL BILLS, $997.00.*

E. W. GRAY, Secretary for August, 1877, - $83.32

J. H. RAUCH, Sec'y for Sept. and Oct., 1878, **$400.00**

To the Tax-Payers of the State of Illinois:

Although the tax-payers of the State did not seem to be aware of the fact, they have been swindled and humbugged by quacks, irregulars, magnetic healers, and patent medicine venders, to such an extent that the "regular" doctors have taken the matter in hand, and have procured the enactment of laws prohibiting such swindlers.

This was for the *protection* of the people of the State. Of course the people must pay for it.

To *protect* the *people* there was enacted by the Legislature of this State two acts, one entitled "An Act to regulate the practice of medicine in the State of Illinois," and the other entitled "An Act to create and establish a Board of Health in the State of Illinois," both acts having gone into force July 1st, 1877.

It is necessary to examine the provisions of *both* of these acts to ascertain what moneys the State Board of Health are authorized to receive, and *how much* and for what purpose, they are authorized to pay out the same.

I.

WHAT THE BOARD MAY RECEIVE.

1. By section 4 of the first named act, a fee of *one dollar* is to be paid by each graduate or licentiate, whose diploma is examined and approved by the board.

2. By section 8, each candidate examined by the board is required to pay a fee of *five dollars.*

3. By section 12, a license fee of $100 *per month* is to be paid by the persons named in said section.

HOW MUCH MONEY HAS BEEN RECEIVED BY THE BOARD?

On page 19 of the printed report of the board it is stated that they have issued 5,374 certificates, and that of that number there was issued to licentiates, upon examinations made by the board, 198 certificates, which, deducted from the total number issued, leaves 5,176.

1. Hence, one dollar each was received for them,	$5,176 00
2. Five dollars each for 198	990 00
Making total received	6,166 00
At page 43 of report, the board credit the account with $54 returned, and $10 lost, making	64 00
Which leaves, of money received,	6,102 00
At page 43 the board only account for	5,910 00
Leaving unaccounted for	192 00
At page 20 it appears that 48 certificates were granted to midwives, for which there should have been received $240. But at page 43 the board only account for 37 certificates at $5 each, without any explanation. Eleven certificates unaccounted for, at $5 each,	55 00
Still leaving unaccounted for	137 00

The *five dollar* fees were required by section 8 of said act to be paid *in advance.*

Why was this requirement omitted?

How is the $137.00 above accounted for?

The board have charged themselves for licenses, $5,910, as above stated.

3. The report of the board fails to show any account of money received for licenses at $100 per month, issued under section 12 of said act.

Ordinarily, it would be fair to presume that no licenses had been issued under that section, and that no money had been received by the board therefor.

Yet, it is said by those who are in a position to know, that such licenses have been issued, and that money was paid for the same, and which, unless expended, is still on hand.

Will the board state the particulars, showing how many and who were licensed, for what purpose, and how much has been received therefor?

4. There is only one other way in which the board may lawfully receive money.

Section 11 of the act to create and establish the Board of Health makes an appropriation of $5,000, to be paid out as therein specified.

HOW MUCH WAS RECEIVED FROM THIS SOURCE?

From a statement of the amount paid to board from the State Treasury, procured from the Auditor's office, it appears that there was drawn from the Treasury, on the certificate of J. H. RAUCH, President of the Board, up to and including January 14th, 1879,	$2,945 21
To this add amount which the board *admit* having received for licenses,	5,910 00
Making amount received by board	8,855 21

This does not include fees received for licenses between the date of the report, October 1st, 1878, and January 17th, 1879.

II.

HOW CAN THE BOARD LAWFULLY USE THIS MONEY?

Section 8, of the medical practice act, referred to, (under which the board receive fees for licenses,) provides that, "the fees received by the board shall be paid into the treasury of the medical society, by which the board shall have been appointed," but, as the board is appointed by the *governor*, and

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not by a medical society, it would seem to follow that the board hold the money in trust, whilst it is in their hands, and that it should be paid to the governor, and by him paid into the State treasury, or else, the money should be paid into the treasury by the board. The board *admits* that the money should be accounted for by them, by charging themselves with it, and if, as conceded, the money belongs to the people of the State, the board should be required to account for it as strictly as they should account for that drawn from the public treasury. If the money was paid into the treasury, then the board *must* file vouchers showing how it was expended.

AUTHORIZED EXPENDITURES.

Section 11, of the act creating and establishing the Board of Health provides, that the secretary shall receive a salary to be fixed by the board. He shall also receive his traveling and other expenses incurred in the performance of his official duties; the *other* members of the board shall receive *no compensation* for their services, but their traveling and other expenses while employed on the business of the board, shall be paid. The president of the board shall certify to, and draw warrants on the treasury for amount due secretary.

LIMIT OF EXPENDITURES.

Section 13 of said act provides, "that the sum of *five* " *thousand dollars*, or so much thereof as may be necessary, " is hereby appropriated to pay the salary of the secretary, " meet the contingent expenses of the office of the secretary, " and the expenses of the board, and all costs for printing, " *which together shall not exceed the sum hereby appropriated.* " Said expenses shall be certified and paid in the same man- " ner as the salary of the secretary."

Section 11 and section 13, above, are the only ones authorizing the board to expend money, and section 13, in *plain*, terms, places a *positive limit* to the amount that may lawfully be paid out under said acts. The limit is $5,000, and any expenses incurred or payments made beyond that amount, are in direct violation of the law creating the board. That

limitation was as binding upon the board as the provisions in the constitution limiting the amount to be expended for the new State house.

Notwithstanding this *express* limitation in the act creating the State Board of Health, we find on page 43 of their report, that the amount the board has paid out is	$7,926 40
Amount authorized	5,000 00
Unauthorized and illegal	$2,926 00

Here is a *plain, clear* case of a violation of the express provisions of the act under which the members of the board were appointed, and which they were bound to observe.

The words: "which together shall not exceed the sum " hereby appropriated," do not admit of any two constructions.

In their report, the members of the board do not attempt to show that there was any necessity for them to violate the law, which they claim they are fairly seeking to enforce, and desire others to observe.

Can they expect others to observe a law that they *themselves violate?*

If there existed a good reason for this violation of law, it was due to the tax-payers of the State, if not to themselves, that the board should in their report, have stated such reasons:

III.

HAS THE BOARD PROPERLY ACCOUNTED FOR ALL MONEYS RECEIVED?

The board admits receiving for certificates		$5,910 00
They have received from the State treasury to Jan. 17th		2,945 21
Total received		$8,855 21
Vouchers are filed with auditor for	$2,945 21	
Cash reported on hand	474 56	
		$3,419 77
Amounts for which *no vouchers* are shown		$5,435 44

No vouchers or other evidence of the correctness or necessity of the expenditure of $5,435.44 are filed with the auditor, nor presented to the governor with the report of the board. In ordinary business matters, receipts are usually required by business men for all payments made by them.

Can public officers and those entrusted with the public moneys, satisfy themselves, and satisfy the tax-payers of the State, by conducting business in a less careful manner than men usually conduct their private affairs?

By looking into the accounts, as the board have seen fit to present them, we may see the necessity for vouchers. The board, however, may have vouchers in its own possession. Have they? Thus far we have seen that the board has, according to its own showing, expended in excess of the amount authorized by law, the sum of $2,926.40, and has not presented vouchers for the payment of $5,435.44.

HAS THE BOARD PROPERLY EXPENDED THE MONEY?

If vouchers had been filed, this question could the more easily have been answered. Now, we can only look to the credits the board has allowed itself in its report.

EXPENSES OF THE MEMBERS OF THE BOARD.

Up to January 17th, 1879, the board had drawn pay for expenses as follows:

Dr. Bateman	$33 55
Dr. Gregory	37 84
Dr. Chambers	36 20
Dr. Clark	32 40
Dr. Ludlam	29 20
Dr. Wardner	36 85
Dr. Rauch	790 96
Total paid members for expenses	$997 00

"The other members of the board shall receive no com- " pensation for their services," but their expenses shall be paid, was the law governing the board. The six members of the board first above named are entitled to credit for the extraordinary small amount of their several expenses, more especially as they have held 16 meetings in 9 different places in the State. This is partly accounted for from the fact that no railroad fares or telegraph charges were paid by any members of the board, as it is not conceivable that they would, as they have done on page 56 of their report, "beg leave to tender acknowledgements to———the railway and

" telegraph corporations———for their generous and con-
" stant assistance and encouragement," if *full fares* and charges had been paid to such corporations.

Seven, out of the 16 meetings of the board were held at Chicago, the home of Dr. Rauch. How under such circumstances, his expenses could reach the enormous sum of $790.96, is, without the vouchers, left solely to conjecture.

CAN THEY BE VERIFIED?

Secretary, acting secretary, and clerical services.... ..... $4,734 22

It requires *vouchers*, not produced, to establish the correctness of this item. Only $1,197.82 are shown in auditor's office, and the showing there gives strange results. For instance, E. W. Gray, October 6th, 1877, was paid $83.32 for salary as secretary for the month of August, 1877.

John H. Rauch, *as president* of the State Board of Health, on December 9th, 1878, certified that John H. Rauch, *as acting secretary* for the months of September and October, 1878, was entitled to $400.00, and John H. Rauch, *as acting secretary*, received that sum from the treasurer.

This item illustrates *three* points:

1. As the salary of the secretary is, by the law, to be fixed by the board, that the board had fixed the salary of E. W. Gray, for August, 1877, at $83.32, and for September and October, 1878, had *fixed* the salary of John H. Rauch ot $200.00 per month.

2. That although the act creating the board provides that there shall be a president and secretary, and that the president shall certify the amount due the secretary, still both offices may be held by the same person.

3. That although the act provides that "the other mem-
" bers of the board shall receive *no compensation*, yet the president *may*, if he *acts* as secretary.

Dr. A. L. Clark is, and has been all the time, the nominal secretary of the board, yet he does not appear to have *served* as such, but has allowed others to run the office. (See report.)

Was there a secretary and a clerk? If so, how much was paid to each?

Will the board verify its account?

POSTAGE, $719.01!

That would pay, at 3 cents each,.....23,967 letters.
" " " 6 " " ....11,683 "
" " " 9 " " .... 7,989 "
" " " 12 " " .... 5,991 "

Have the board any vouchers?

Have the board *any* data showing amount paid for postage, or the number of letters sent?

On account of what was done by the board *before* the yellow fever *reached* Cairo, the public will make many allowances for discrepancies in its report, and give credit for considerable outlays of money, even beyond the amount authorized by law, to stay the progress of that dire disease; yet, the same public would be better satisfied that they be furnished with evidence that the money entrusted to the board had been properly applied.

A detailed statement can so readily be made by such good business men, that it is no hardship to require the board to make one.

Other matters appearing in the report are open to criticism. Why was the State put to the expense of the map showing where the yellow fever cases *resided* at Cairo? Will it afford information as to where it will be located in the event of *another* appearance of the disease? Are those yellow fever places to be avoided in the future?

Again, the report states (page 5) that about 1,400 non-graduates have since left the State.

From reliable information obtained from various parts of the State, in answer to special inquiries, the above statement in said report is believed to be *undesignedly* incorrect.

From the report and the records, the board may be charged:

1. With not accounting for all money received.
2. With expending in violation of law, $2,926.44.
3. With failure to pay all moneys received for licenses into the state treasury.

4. With failure to properly account for $5,435.44.

Dr. John H. Rauch, President of the Board, may be charged—

1. With overcharges for expenses, thereby obtaining pay for his services, when *no compensation* was allowed by law.

2. With paying himself $400 for services, which another as capable, would have done for $166.64.

3. And thereby obtaining pay for services as a member of the board.

Without properly accounting for moneys already received, the board now asks the legislature to appropriate from the State treasury and from the people's money, to be paid by taxation, the further sum of $10,000.00.

This request should be granted without question. $5,000 was appropriated under the original act. The board used that amount, and although *prohibited from so doing*, expended $2,926.40 *more* than that amount.

Now, if $10,000 is appropriated, the board would, according to the usual rule of progression, use that sum, and $5,852.80 more, or double the former excess.

If the legislature does not require this board to account strictly for the moneys entrusted to it, although the sum is comparatively small in amount, may not the people say that the tax-payers are not properly protected?

May not the people with good reason, send in their petitions by the score, asking for the repeal of the act creating the State Board of Health? *Thousands* of tax-payers and voters, have already petitioned for such repeal.

Leave the question of the appropriation of the $10,000 from the public treasury to a vote of the people at the June election, and it will then be seen what their opinion is upon the subject.

Before such appropriation is made, the board should in any event, be required to show *how* the amounts *already received* have been applied.

WILL THIS BE DONE?